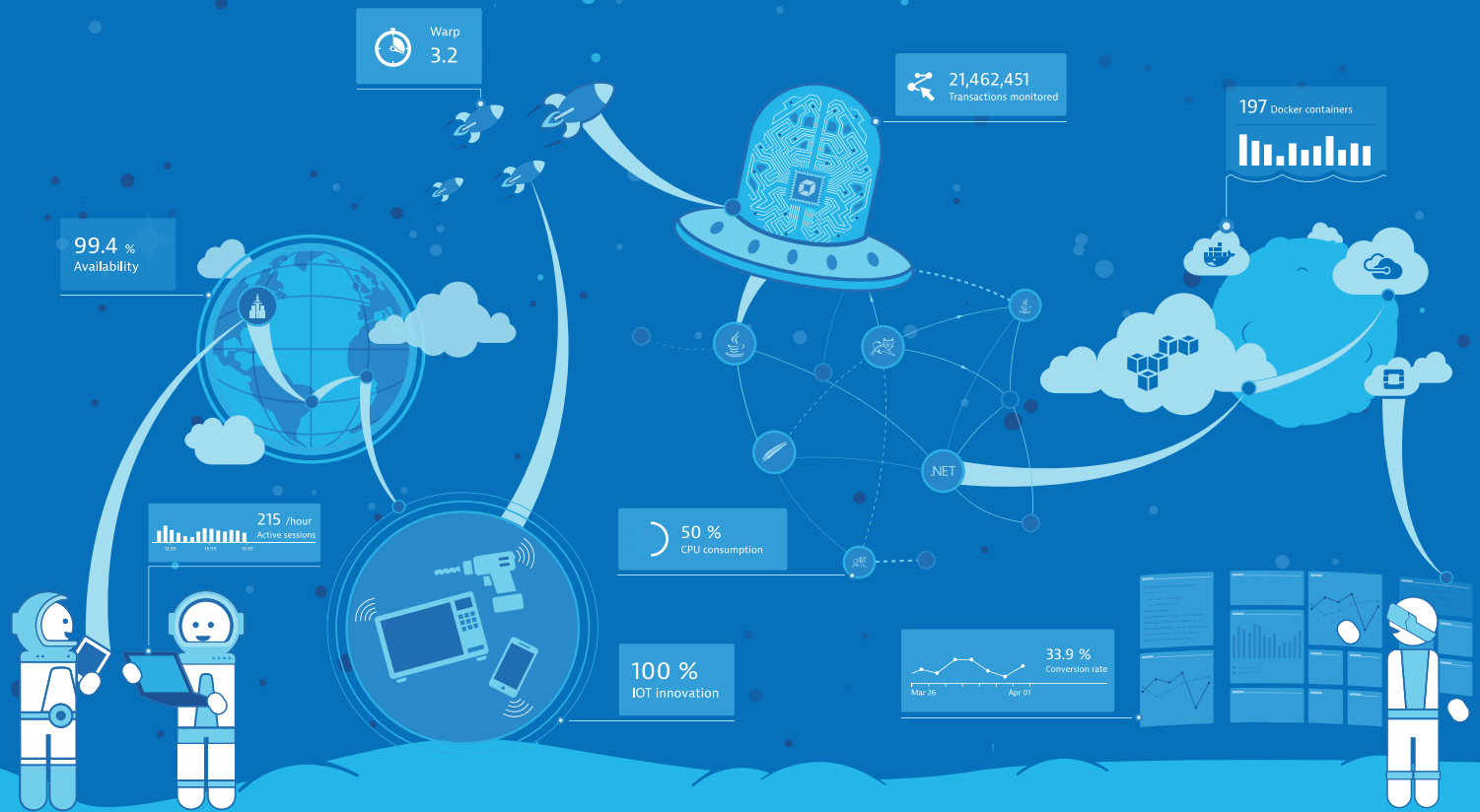




# The Global Digital Performance & Transformation Audit



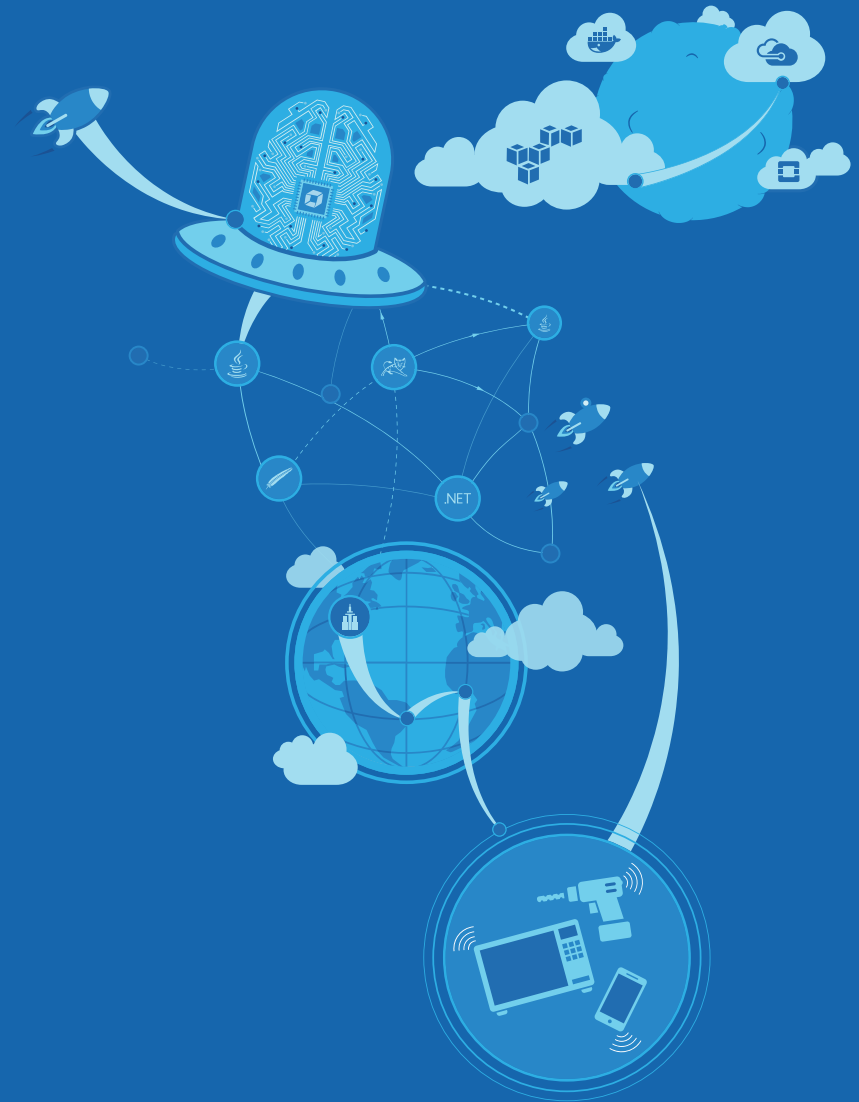
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“ Digital transformation is the continuous process by which enterprises adapt to or drive disruptive changes in their customers and markets (external ecosystem) by leveraging digital competencies to create new business models, products, and services. It enables enterprises to seamlessly blend digital, physical business and customer experiences while improving operational efficiencies and organizational performance.”



© IDC MaturityScope, Digital Transformation 1.0, doc# 254721



Forrester predicts that digital transformation budgets will edge up into **billions** in 2017.

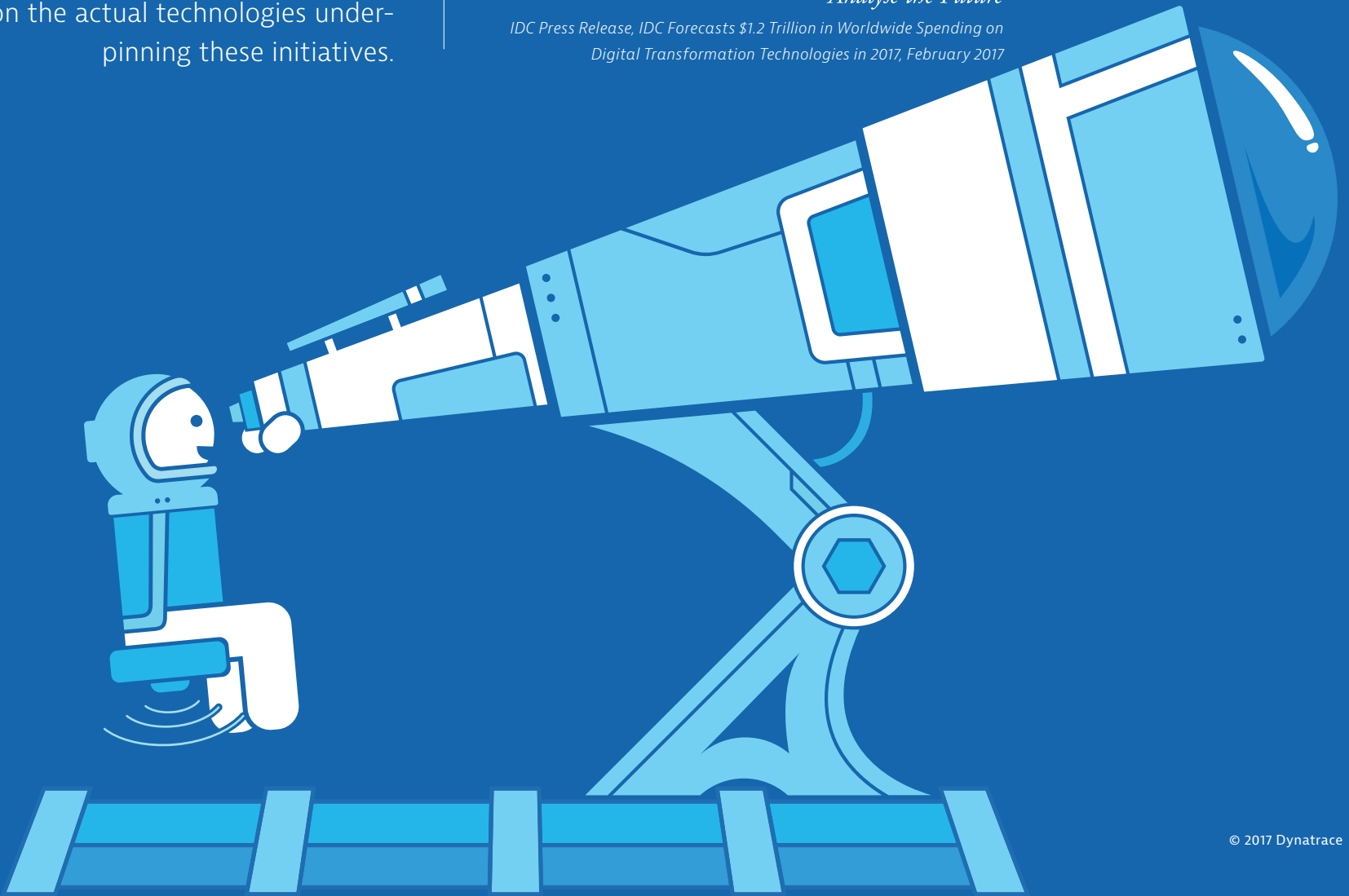
IDC forecasts **\$1.2 trillion** will be spent globally on the actual technologies underpinning these initiatives.

**FORRESTER**<sup>®</sup>

*Predictions 2017: In Digital Transformation, The Hard Work Of Operational Excellence Begins", Forrester Research, Inc., November 1, 2016*

 **IDC**  
*Analyse the Future*

*IDC Press Release, IDC Forecasts \$1.2 Trillion in Worldwide Spending on Digital Transformation Technologies in 2017, February 2017*



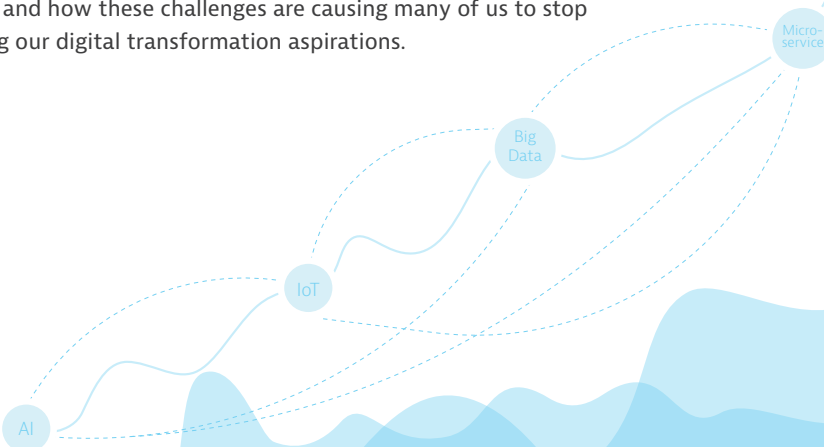
# The barriers to digital business success

Today digital transformation is impacting every department and function of a business, to the extent that it is no longer the exclusive domain of CIOs and IT departments.

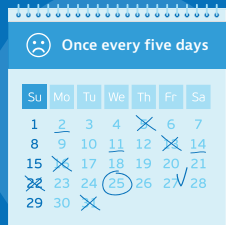
Business leaders are challenged to move their enterprises to the next level, by coupling digital technologies with organizational, operational, and business model innovation to create new ways of operating to drive growth.

As cloud migration, AI, IoT, Big Data and microservices gather, or continue apace, digital performance management strategies become central to managing the sprawl and complexity of IT stacks. The right approach is also crucial to navigate the convoluted customer experience landscape, where people demand perfect experiences no matter what device or operating system they prefer.

This report takes a candid look at some of today's major barriers to digital business success, and how these challenges are causing many of us to stop short of achieving our digital transformation aspirations.



# Digital transformation: a global challenge



## What we looked at

Dynatrace's latest independent survey of 1,239 IT and business professionals has found that across the globe, IT complexity and performance challenges are killing digital transformation initiatives, and causing organizations significant digital performance problems as often as once every five days.



## How digitally confident are we?

75 percent of respondents highlighted low levels of confidence in their ability to resolve digital performance problems. Equally concerning is that 48 percent of these respondents stated digital performance challenges were directly hampering the success of digital transformation strategies in their organizations.

## What's the problem?

When we asked respondents what was causing these performance challenges, most people frequently pointed to the **increasing complexity** of their technology ecosystem as a major problem.

While the majority of global companies consider the complex mixture of technologies and systems to be the biggest hurdle to digital transformation and digital initiatives too, a country-by-country breakdown of the data paints an even more colorful picture of the changing and varied global IT landscape.



## Who's saying what?



34%



35%

In the US and Germany just over a third consider the complexity of technologies and systems to be the biggest hurdle.



41%

In France, those surveyed consider scalability challenges to be the biggest hurdle.



44%

In Australia, lack of collaboration between IT operations, developers, lines of business and customer support is seen as the single biggest hurdle.



50%

In terms of countries experiencing the most frequent digital performance issues, firms in the UK have the unenviable position of leading their global counterparts with half of all UK companies surveyed citing digital performance issues on at least a weekly basis, if not more often.



34%

Across the Channel however the picture is very different, as French firms experience digital performance issues least of all, with a third citing that they occur only rarely.



36%

When digital performance issues do occur, the Germans are significantly more confident that issues can be resolved (36 percent) than global counterparts in the UK, US, France, or Australia.



25%



23%



18%



16%

## When advances become barriers

The impetus and reliance of businesses on technology has accelerated more in the last decade than during the entirety of the previous century. While technology has become simpler and more accessible for the consumer, the sprawling and increasingly complicated nature of corporate IT stacks is now actually becoming a barrier to progress for many organizations.



48% of Millennials will abandon a site or app if it fails to load in 3 seconds



A typical organization monitors less than 5% of their apps for performance and availability



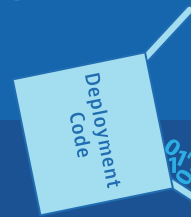
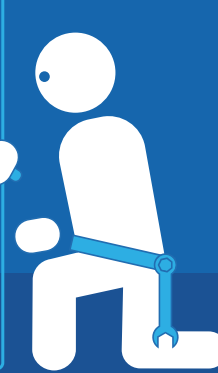
By 2020, there will be 26 smart devices per person  
- Intel



Containers can live in a microservices environment for as little as 10 seconds



On average, a single transaction uses 82 different types of technology





# A business-wide problem

## Where is the burden heaviest?

Questions around IT issues, such as complexity, are no longer the exclusive concern of a company's CIO and IT departments. From IT operations and developers, to the marketing and customer service teams, digital transformation and IT performance is now a business-wide subject of discussion.

For example, e-commerce professionals stated they lose 12.5 hours a week dealing with digital performance problems, while marketing professionals lose just over 9 hours a week. IT operations professionals reported they are losing 10 hours each a week dealing with these problems, while developers lost slightly more.

## What's happening internally?

Most of this time disappears into war room type scenarios, when all stakeholders come together to solve problems so significant they can impact customer experience, revenue streams and bottom-line profitability.

## Lost time hits hard



## What would your teams do without digital performance problems?

### E-commerce

**36%** of e-commerce specialists would focus on optimizing strategies further

### Development

**36%** of app and web developers would spend more time on research, development and deploying new technologies

### IT Operations

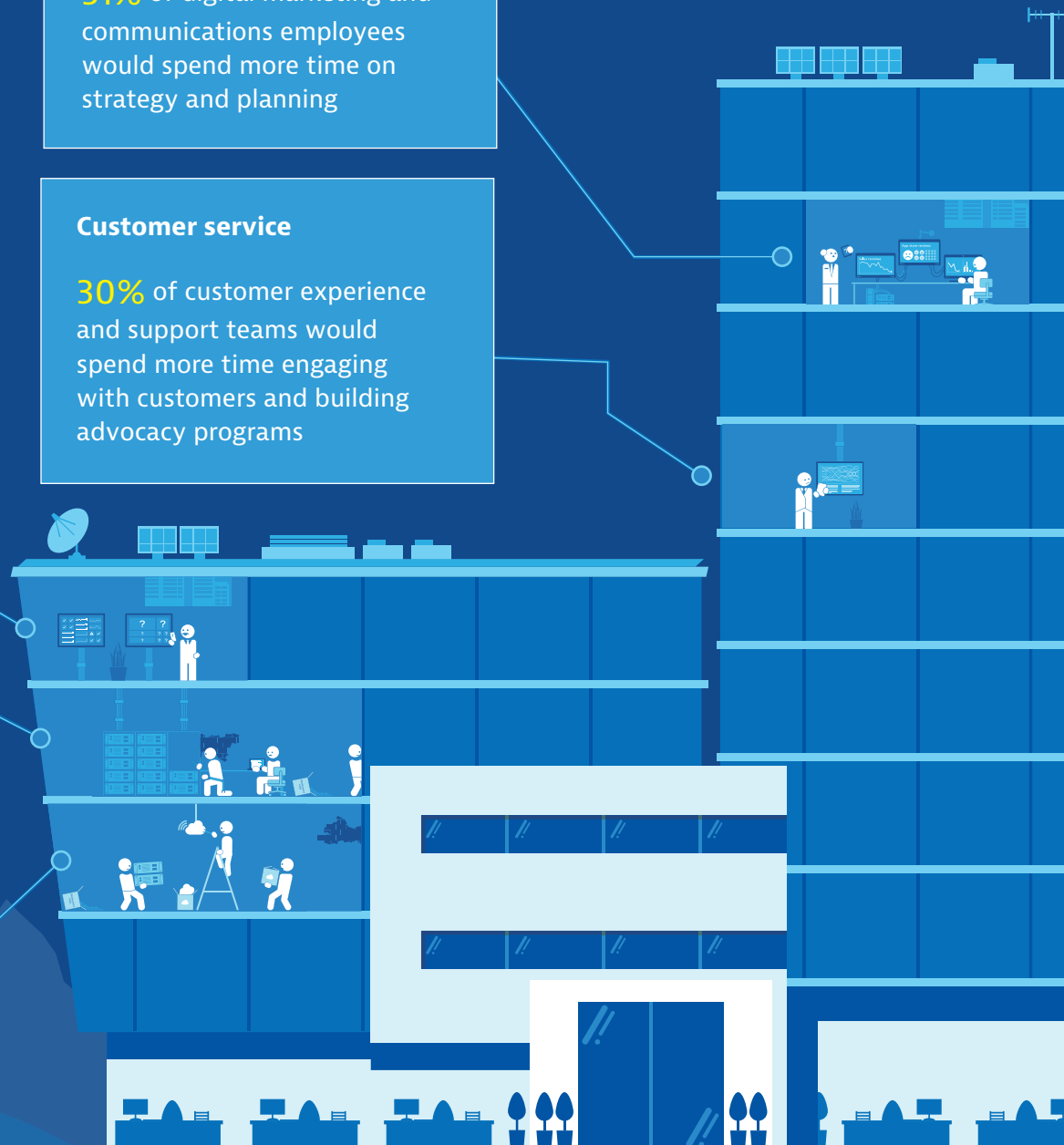
**32%** of IT operations teams would spend more time researching and deploying new systems/technologies

### Marketing

**31%** of digital marketing and communications employees would spend more time on strategy and planning

### Customer service

**30%** of customer experience and support teams would spend more time engaging with customers and building advocacy programs



## What's the business cost?

Lost time and outages can cost businesses thousands of dollars each week and these costs will only increase as the root causes of problems become harder to identify in a world dominated by cloud, microservices and the Internet of Things.



The cost of a data center outage is  
**\$740,357**

**Gartner**

*Gartner, Three Moves for CIOs to Lower  
Business Costs with Cloud, March 2017*

Outages cost/per hour  
**\$5,600** per minute  
**X 60 minutes** per hour



IHS Markit™

Businesses losing  
**\$700 Billion**  
a year to IT downtime

# Methodology

Dynatrace commissioned independent market research agency Research Now to undertake this study on digital performance and transformation in the enterprise. There were 1,239 respondents in total to the survey, with 501 respondents from the US, 275 from Germany, 215 from the UK, 150 from France and 98 from Australia. Participants came from a range of job functions including IT operations, development, e-commerce, marketing and customer services.

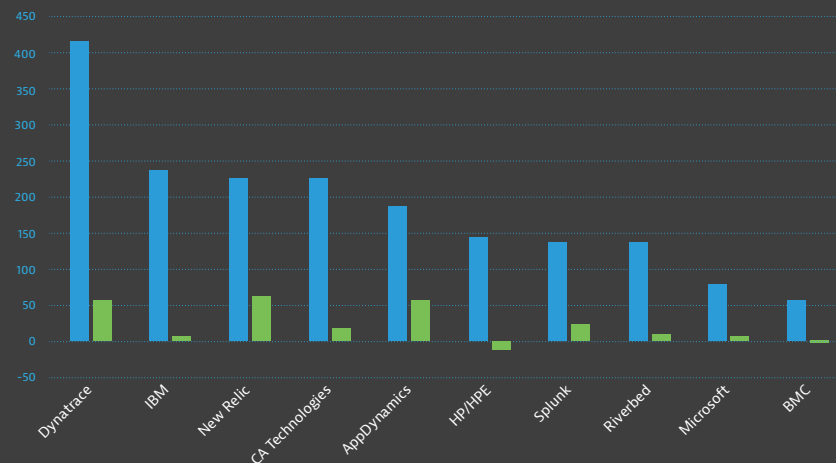


# What sets Dynatrace apart?

## The biggest and the best work with us:

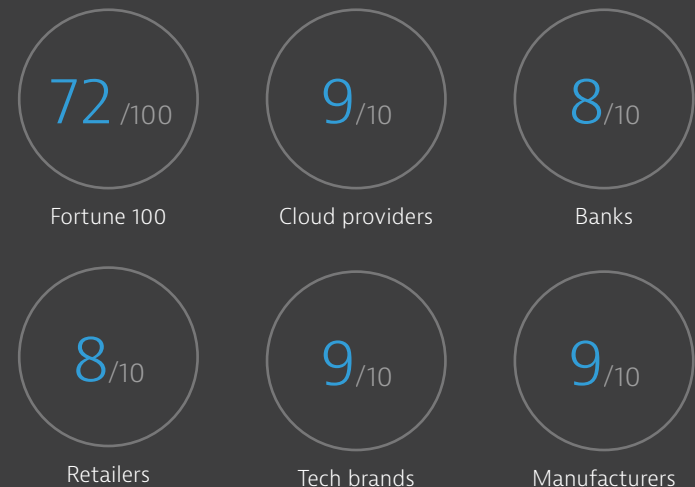
Dynatrace has redefined how you monitor today's digital ecosystems. AI-powered, full stack and completely automated, it's the only solution that provides answers, not just data, based on deep insight into every user, every transaction, across every application. The world's leading brands, including 72 of the Fortune 100, trust Dynatrace to optimize customer experiences, innovate faster and modernize IT operations with absolute confidence.

### IT Operations Performance Analysis: APM Market Share 2016



Charts/Graphic created by Dynatrace based on Gartner research.  
Source: Market Share: All Software Markets, Worldwide, 2016, Matthew Chung, et al, 14 April 2017

### The world's top global companies trust Dynatrace to monitor their tier one applications



# Unmatched visibility and insights



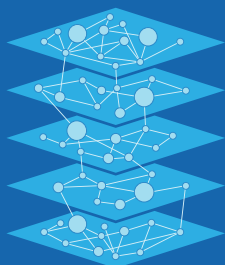
## See every user, every app, everywhere

Every user journey and transaction measured with the most accurate user experience index.



## The broadest APM coverage

See every application in your ecosystem from apps of innovation, engagement and record. Cloud or on premise.



## The deepest full stack analysis

Unified, high fidelity view into the entire technology stack, and all the dependencies with it.



## Unmatched in hyper-scale environments






Unique microservice and container monitoring visibility with unmatched scalability and overhead efficiency.

# Case Study: **COOP**






## Store closures averted thanks to AI-powered monitoring

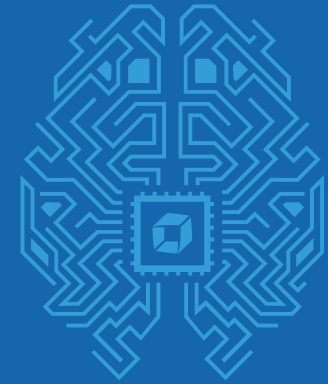
When the largest retailer in Denmark, Coop, launched a new loyalty app, there was a lot at stake. Like most businesses, Coop has a hugely complex digital ecosystem – encompassing the latest cloud technologies through to on-premise mainframes – which makes perfect application performance extremely difficult. However, thanks to Dynatrace's AI-powered, full stack, automated application performance monitoring solution, on launch day, Coop was able to see a CPU memory issue and resolve it immediately before it impacted customers and caused massive disruption to their business.

### About Coop

-  Largest retailer of consumer goods in Denmark
-  A cooperative owned by more than 1.6 million members
-  Annual turnover of approximately DKK 50 billion
-  Served by nearly 36,000 employees
-  1200 stores country-wide

### Why Dynatrace

-  Depth and breadth of visibility
-  Single view of the full stack from mainframe to app services
-  AI capability brings faster root cause analysis
-  Integration with Azure
-  Integration with ServiceNow gives ability to automate and distribute problem notifications to the correct teams



## The brilliance of AI-powered performance monitoring

The past two decades have seen relentless change, and the scale of digital disruption taking place at individual, societal, and organizational levels continues to accelerate.

Digital transformation initiatives will grow more complex, as we continue to expand our businesses through the adoption of cloud technologies. That's why digital performance strategies must utilize a unified, automated monitoring solution that's able to scale alongside the expanding technology ecosystem. We need to be able to find and fix problems with rapid precision before end users are impacted. All the while, we're under huge pressure to optimize IT operations and release better software, faster.

Dynatrace has redefined enterprise digital performance monitoring with its unbeatable AI-powered, full stack, automated solution that scales to meet the needs of any on-premise, hybrid or pure cloud environment.

[Take a free trial today](#)



[Learn more at dynatrace.com](https://www.dynatrace.com)

Dynatrace has redefined how you monitor today's digital ecosystems. AI-powered, full stack and completely automated, it's the only solution that provides answers, not just data, based on deep insight into every user, every transaction, across every application. The world's leading brands, including, 72 of the Fortune 100, trust Dynatrace to optimize customer experiences, innovate faster and modernize IT operations with absolute confidence.

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